

# Vermont Payment for Ecosystem Services and Soil Health Working Group

Summary of Meeting #26: May 3, 2022

More detailed information, including presentation slides and the meeting recording can be found at <https://agriculture.vermont.gov/pes>.

## Introduction

The Payment for Ecosystem Services (PES) and Soil Health Working Group held its twenty-sixth meeting on May 3, 2022. The objectives of the meeting were to review potential program goals, objectives, and elements, discuss potential biodiversity metrics, and hear public comment.

## Summary of discussion

Alissa White provided a brief update on UVM research tasks. She shared that the report on Task 4 (spreadsheet of costs of field management changes) would be forthcoming shortly. The team also received a few late (non-substantial) peer-review edits to the Task 7 (Whole Farm Net Zero Approaches) which will be incorporated into a final version. The research team is also continuing analysis under Task 3 (farmer survey & stakeholder engagement) and can share updates at the next Working Group meeting.

The Working Group also continued review of draft program objectives. The document was updated to include a draft vision statement and program goals synthesized from the brainstorming session during the last meeting. Key feedback from Working Group members included that –

- The term “stewardship” should be avoided where possible; instead focus on producing clearly-defined ecosystem services and outcomes
- The program should pay for a variety of ecosystem services that could be provided by a diverse range of farms, including those currently and historically underserved
- Ensure that the majority of program funds go to farmers (also potentially by including farmers as paid contributors in program administration)
- Where possible, the program should seek to do public engagement through partnerships with existing agencies and initiatives, rather than diverting funds that could go to farmers and program implementation

The Working Group also discussed defining “whole farm”. Two potential options were –

- All working and natural lands (and production areas) within a farm’s parcel, including crop fields and pastures, forests, wetlands, and others
- All agricultural crop fields within a farm’s parcel

Working Group members suggested that the terminology should match the scale of practices or outcomes desired and that the program should allow farmers to be able to design for themselves how they would provide ecosystem services in a way that is efficient for their farms. It was also suggested that the program goals should be aspirational and expansive to allow for flexibility in future years, even though the pilot might be limited to a smaller set of practices and/or outcomes.

Working Group members also discussed the pro's and con's of paying for meeting a threshold versus improvement against a farm's baseline (additionality). Participants pointed out that programs that pay for additionality typically rely on modelling of practices (based on the Universal Soil Loss Equation) because pure additionality would imply no payments for the first baseline year. Members also pointed out that soil health practices take years to materialize in measurable changes.

As a next step, the project team and CBI will prepare a revised draft of the document incorporating feedback from Working Group members.

Afterward, Becky Maden and Maddie Kempner presented potential frameworks and metrics for including biodiversity in a program. They noted that the goal would be to encourage biodiversity at a sufficient level to support ecosystem service goals, rather than maximizing biodiversity to an endless degree. The proposed process would involve farmers enrolling and working with a service provider to develop a plan, and would receive a base payment for enrollment and engagement in planning. The program would rely on farmer observation and reporting, along with reviewing progress with service providers against a selection of indicators at regular intervals. They also suggested the [Healthy Farm Index](#) as a farmer-based tool to track and score progress against biodiversity indicators.

Working Group members were generally supportive of the approach and suggested that, if it were to be adopted, it should be included in the program in order to reduce paperwork. Participants suggested reviewing USDA wildlife habitat programs in operation in the state. Participants also suggested outlining the program development milestones for the remainder of the year to understand where biodiversity could fit in.

Key points made during public comment include that –

- Conservation Districts should be considered as potential administrators of the program, potentially in conjunction with NGOs like NOFA-VT
- It is important to understand where there are tradeoffs between biodiversity and soil health (such as using chemicals to terminate cover crops)
- There is a need for clear definitions of the principles and practices that support soil health (given NRCS' definition of 'minimizing disturbance')

The meeting was adjourned at 2 PM.

#### Links shared during discussions

1. [Leimona, B. et al. Fairly efficient, efficiently fair: Lessons from designing and testing payment schemes for ecosystem services in Asia](#)